

**City of Northampton**  
MASSACHUSETTS

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*In City Council*

January 7, 2021

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Upon recommendation of the Mayor

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**20.178 An Order to Increase Personal Property Tax Exemption Threshold to \$2,500**

*Whereas*, personal property is subject to local property taxation in Massachusetts unless specifically exempted by law depending on the ownership entity or use of the property;

*Whereas*, tangible personal property consists of goods, merchandise, equipment, tools, machinery, furnishings and effects and other movable property;

*Whereas*, all personal property, owned by Massachusetts and non-Massachusetts residents and businesses that are situated in Massachusetts on January 1, is taxable unless an exemption applies;

*Whereas*, MGL Chapter 59, s. 5 (54) allows for a local option exemption for small personal property accounts in municipalities that accept this section and further requires the municipality to establish a minimum fair cash value required for personal property accounts to be taxed, and to modify that value from time to time;

*Whereas*, City Council previously in December of 2017 set the minimum value of personal property subject to taxation at \$1000 and the Principal Assessor is recommending that the minimum be raised to \$2,500 which will eliminate the issuance of quarterly personal property tax bills of such low value, will not result in significant revenue loss and will provide welcome relief to small local business:

*Ordered, that*, the City of Northampton hereby accepts the provisions of Massachusetts General Law Chapter 59, s 5, (54) and in accordance therewith establishes a minimum value of personal property subject to taxation of \$2,500.